



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Robert M. Duncan, Treasurer  
Republican National Committee - RNC  
310 First Street S.E.  
Washington, DC 20003

MAY 01 2002

Identification Number: C00003418

Reference: Amended April Monthly Report (3/1/01-3/31/01), received 8/22/01

Dear Mr. Duncan:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule H3 discloses the receipt of \$70,145.29 from your non-federal account for an expenditure/event that is listed as 100% federal on Schedule H2 and H4 of the previous report. A committee is permitted to pay the entire amount of an allocable activity from its federal account and receive a transfer(s) from its non-federal account solely to cover the non-federal share of the allocable expense(s). 11 CFR §106.5(g)(i) However, a 100% federal expenditure does not fall within the definitions of an allocable expense, and constitutes an impermissible transfer of funds received by your federal account from your non-federal account.

The Commission recommends you immediately transfer the total amount received by your federal account back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-The Detailed Summary Page, on Line 18 Column A of your report, discloses \$3,154,030.70 in transfers from the non-federal account for joint activity for the reporting period. However, Line 21 (a)(ii) Column A discloses \$1,209,265.41 as the non-federal share for joint activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for shared activity, transfers for shared activity

must be made within a 70-day time period: no more than 10 days before or 60 days after the payment to the vendor. 11 CFR §§106.5(g)(2) and 106.6(e)(2) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-Schedule H2 indicates the allocation ratio for G3 was revised during the reporting period. Please provide the date of the fundraising program or event. In the case of a telemarketing or direct mail campaign, the "date" is the last day of the telemarketing campaign, or the day on which the final direct mail solicitations are mailed. 11 CFR §106.5(f)(2) In the event that an excessive non-federal transfer was received, the excessive amount should be transferred back to your non-federal account.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to check the appropriate CATEGORY box for the payment(s) made to numerous vendors. Please amend your report to disclose the appropriate category.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): supplies. For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category. EVENT YEAR-TO-DATE totals for fundraising, direct candidate support, and exempt activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous EVENT YEAR-TO-DATE total for that category or event. This running EVENT YEAR-TO-DATE total should be disclosed after each disbursement is listed. Please amend your report by providing the correct EVENT YEAR-TO-DATE totals.

-The coordinated expenditure schedule (Schedule F) should disclose the following information: the identification of the designating committee, the payee's name and address, the purpose of the expenditure, the identification of the candidate supported, the office sought, state and district (if applicable), the date and amount of the payment and the aggregate general election expenditure total for each candidate supported. Please amend Schedule F by providing the office sought. 2 U.S.C. §441a(d)

-On Line 11(c) of the Detailed Summary Page, you disclose receipts totaling \$15,100 in contributions from other political committees; however, on a separate Schedule A disclosing the same amount, you have checked Line 11(b). Please amend your report to disclose the proper total on the proper line of the Detailed Summary Page.

A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Scott Walker  
Reports Analyst  
Report Analysis Division

